

Realty Trust Review

April 27, 1979
Priced Apr. 24

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VOL. X, No. 8

INVESTMENT OUTLOOK AND STATISTICAL ISSUE

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INVESTMENT OUTLOOK: REALTY TRUST STOCKS MAY BE NEARING A SPECULATIVE BLOWOFF

We enjoy taking profits as much as anyone and so we think it's about time to think about nailing down some gains. Market action this past month has been nothing short of astonishing.

While the Dow-Jones Industrials have been marking time the realty trust stocks have been setting a scorching pace: up 11.2% on average this past month and ahead by 23.2% since Jan. 1 (see Comparative Trust Group Averages, p. 3).

Investors seem to have an almost insatiable thirst for equities; our three property groups were ahead by 10.8% for the month and the property & mortgage combination trusts up by 14½%. The mort-

gage/foreclosed property group also enjoyed a good run, up 14.3%. Only the long-term mortgage group lagged, rising "only" 4.7%. As we said last issue, we're in a bull market for realty trusts and timing their duration is difficult.

Among dividend payers (p. 4), special situations dominated: Prudent RE rose 65½% on a renewed tender offer (see p. 2) and Continental Illinois Properties leapt 37% on a proposed tender offer by foreign investors. Baird & Warner Mtg. rose 26% on strength of an optimistic liquidation value (see p. 7). But gains of 10-20% were widespread and only 6 of 74 qualified realty trusts showed declines.

Percentage gains were astonishing for many low-priced cheapies among the recovery non-qualified trusts on p. 5. American Realty jumped 65% on news that

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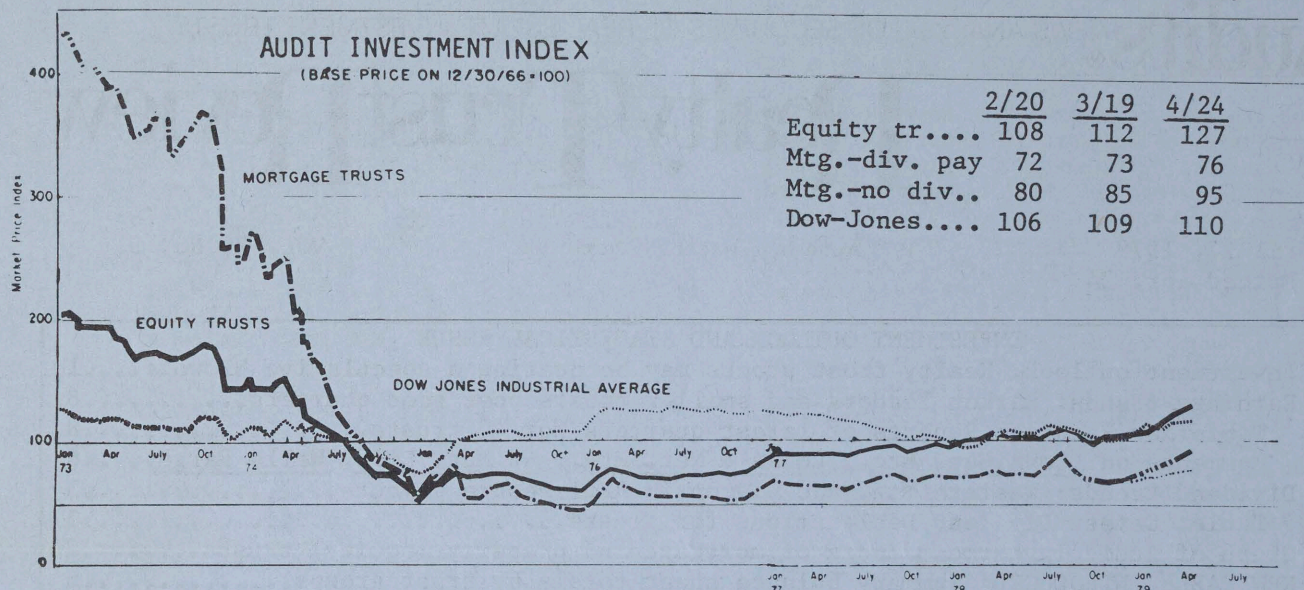
REAL ESTATE DISCLOSURE DIGEST's current issue contains our annual review of the pooled funds investing in real estate for pension plans. Single copy: \$15 prepaid.

KENNETH D. CAMPBELL, EDITOR AND PUBLISHER, FAYE KREISMAN, STATISTICAL RESEARCH/ AUDIT INVESTMENT RESEARCH, INC., 230 PARK AVENUE, NEW YORK 10017

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PUBLISHED TWICE MONTHLY ON THE SECOND AND FOURTH FRIDAYS SUBSCRIPTIONS \$148 ANNUALLY SINGLE COPY \$10 (RELATIVE APPEAL \$20); BACK ISSUES \$1.50 TO SUBSCRIBERS ONLY ■ GROUP RATES ON REQUEST

Individual portfolio consultation: \$175 hr. to subscribers, \$250 nonsubscribers



Buffalo investor Brent Baird joined the board and would press to have Eastover Corp. Pres. Leland Speed named to the board; ART has been in throes of a liquidity squeeze. Guardian Mtg. climbed 59% on management's assertion that it believed a dissident bondholder group could not halt approval of a pending Chapter XI bankruptcy plan. Chase Manhattan Mtg. rose 41% on favorable response to a revised Ch. XI bankruptcy plan giving subordinated debt holders \$22 in cash per \$100 face amount of debt, up from \$15. Chase also posted a smaller deficit (p.8).

We hate to keep harping on the asset valuation question but it probably is the single most important issue confronting investors today. In an effort to give a better picture of the industry's makeup, we introduce on p. 6 an expanded profile of realty trust assets. The computer table adds four major items to our monthly tally of non- and low-earning assets: 1) accumulated loss reserves; 2) foreclosed properties at historic cost; 3) All debt; and 4) shareholders' equity at historic cost. Each item is tallied for the five major groups of trusts, so you can get a better picture of the asset and liability makeup of each group. We hope to add investment properties and accumulated depreciation to these data in the near future. We began tracking non- and low-earning investments in 1973 and watched the totals climb over \$10 billion; now REITs have less than half that amount of troubled assets.

TENDER/EXCHANGE OFFERS: OFFER RENEWED FOR PRUDENT; NATIONWIDE FINDS PARTNER

Johncamp Realty, Inc. renewed its offer to buy shares of Prudent Real Est. at \$7 after a Federal court ruled the offer could proceed under a revised offering circular. The revision included the fact that Prudent trustees may terminate the trust by unanimous action as well as by seeking shareholder approval of such a step. Johncamp combines the Canadian realty company Campeau Corp. with John Wertin and Joseph Akerman, California investors who recently took control of Compass Investment Group.

Old Stone Corp., Providence, R.I. bank holding company, has agreed in principle to acquire Nationwide Real Estate Inv. by exchanging one share of a new \$18, 9-3/8% sinking fund convertible preferred stock for each share of Nationwide RE. Old Stone was an initial suitor for Nationwide when it announced a year ago it wanted a merger partner but pulled out when Buckeye Federal S&L made a better (and now aborted) offer.

Meanwhile New Plan Realty returned to the equity markets by selling 500,000 shares of new stock at \$10. The \$5 million gross proceeds will be used to repay some debt and add to properties. New Plan is based in New York City and recently listed its shares on the American Stock Exchange; it paid dividends without a break during the recession.

DIVIDEND TRENDS: TWO TRUSTS RESUME PAYOUTS WHILE ONE CUTS BACK

Two more trusts resumed dividends as they emerged from the long real estate recession. Western Mortgage Inv. and Wisconsin REIT became the second and third trusts this year to begin payouts -- compared to only five resump-
tions in each of 1977 and 1978.

While both are relatively small trusts (and Wisconsin has given up its REIT status), the activity gives increasing confidence in the dividend vitality of realty trusts.

Western Mortgage's payout was the first since Sept. 1974, but the trust carefully avoided saying if investors could expect future payouts on a quarterly or annual basis. The trust earned 25¢/sh. in its February 1979 fiscal year, including 19¢/sh. gains from real estate sales.

| Trust | Record date | --Quarterly dividend/share-- | | | -% Chng. from | |
|----------------------------|-------------|------------------------------|----------|----------|---------------|--------|
| | | Latest | Previous | Year-ago | Prev.Q | Yr-ago |
| Amer. Equity Inv..... | 4/22 | \$0.20 | \$0.40 | \$0.12 | -50% | +67% |
| C.I. Realty..... | 4/6 | 0.10 | 0.10 | --- | UC | NC |
| CleveTrust Realty..... | 6/15 | 0.05 | 0.05 | --- | UC | NC |
| Conn. Gen. Mtg. & Rl..... | 4/27 | 0.45 | 0.45 | 0.40 | UC | +13 |
| Denver REIA..... | 3/15 | 0.20 | 0.18 | 0.18 | +11 | +11 |
| Equitable Life Mtg..... | 4/13 | 0.50 | 0.50 | 0.50 | UC | UC |
| GREIT Realty..... | 4/16 | 0.10 | 0.10 | 0.10 | UC | UC |
| Hospital Mtg. Group..... | 4/13 | 0.15 | 0.15 | 0.15 | UC | UC |
| Hotel Investors..... | 4/16 | 0.50 | 0.45 | 0.42 | +11 | +19 |
| JMB Realty..... | 4/13 | 0.50 | 0.50 | 0.45 | UC | +11 |
| Lomas & Net. Mtg. Inv..... | 5/4 | 0.51 | 0.49 | 0.43 | + 4 | +19 |
| Miller (Henry S.) Rl..... | 4/9 | 0.28 | 0.28 | 0.20 | UC | +40 |
| New Plan Realty..... | 4/16 | 0.065M | 0.065M | 0.53M | UC | +23 |
| NW Mut. Life Mtg..... | 4/20 | 0.25 | 0.25 | 0.25 | UC | UC |
| PNB Mtg. & Realty..... | 4/30 | 0.27 | 0.27 | 0.20 | UC | +35 |
| REIT of America..... | 4/16 | 0.40 | 0.30 | 0.30 | +33 | +33 |
| Riviere Realty..... | 4/2 | 0.15 | 0.15 | 0.125 | UC | +20 |
| Sutro Mtg. Inv. Tr..... | 5/4 | 0.25 | 0.25 | 0.225 | UC | +11 |
| USP Real Estate..... | 4/22 | 0.20 | 0.19 | 0.18 | + 5 | +11 |
| United Realty Trust..... | 4/19 | 0.20 | 0.20 | 0.20 | UC | UC |
| University REIT..... | 4/23 | 0.06M | 0.06M | 0.09M | UC | -33 |
| Wells Fargo M&E..... | 5/4 | 0.35 | 0.30 | 0.30 | +17 | +17 |
| WESTERN MTG..... | 4/23 | 0.05 | --- | --- | Resumed | |
| WISCONSIN REIT..... | 4/9 | 0.04S | --- | --- | Resumed | |

UC=Unchanged. M=Monthly. S=Semiannual. EX=Year-end extras. L=Liquidating.
NC=Not compared. Trusts reducing dividend from previous quarter underlined.
Trusts resuming dividends IN CAPS. a- Adjusted for stock splits.

Wisconsin REIT also resumed with a 4¢/sh. payout (see table), first since April 1975, when 4¢ was also paid. Wisconsin reported 24¢/sh. income in 1978. (See p. 8 for earnings)

Four dividend stalwarts boosted in the month: REIT of America, up 33%; Wells Fargo Mtg., up 17%; and Denver REIA and Hotel Investors, both up 11%.

COMPARATIVE TRUST GROUP AVERAGE 04/24/79

| GROUP | QUAL | NON-QUAL | TOTAL | SHARE VALUE | BOOK VALUE | ANN DIV* | EARN ANN* | LAST PRICE | % CHNG MON AGO | FROM-- JAN 1 | P/E RATIO | ANN* YIELD | % PR TO BK | RETURN ON BK | MARKET VALUE |
|------------------------------|------|----------|-------|-------------|------------|----------|-----------|------------|----------------|--------------|-----------|------------|------------|--------------|--------------|
| PROPERTY-LARGE | 21 | 0 | 21 | 2346 | 15.46 | 1.16 | 1.41 | 15.50 | 11.7 | 17.3 | 11.0 | 7.5 | 0.2 | 9.1 | 830.1 |
| -SMALL | 7 | 0 | 7 | 956 | 13.29 | 1.23 | 1.38 | 12.05 | 5.7 | 10.8 | 8.7 | 10.2 | -9.3 | 10.4 | 77.9 |
| -SUBOR LAND | 3 | 0 | 3 | 1862 | 16.10 | 1.27 | 1.31 | 13.34 | 14.8 | 15.1 | 10.2 | 9.5 | -17.2 | 8.1 | 65.2 |
| AVERAGE 3 PROP GROUPS | | | 31 | 1985 | 15.03 | 1.18 | 1.39 | 14.51 | 10.8 | 15.8 | 10.4 | 8.2 | -3.5 | 9.3 | 973.2 |
| PROP & MTG COMBINATION | 14 | 10 | 24 | 2139 | 11.64 | 0.43 | 0.56 | 8.65 | 14.4 | 31.6 | 15.4 | 5.0 | -25.7 | 4.8 | 519.8 |
| SHORT-TERM MTG | 11 | 0 | 11 | 1757 | 15.14 | 0.66 | 0.92 | 10.33 | 10.6 | 22.4 | 11.2 | 6.4 | -31.8 | 6.1 | 216.6 |
| LONG-TERM MTG/PROP | 13 | 0 | 13 | 3554 | 14.71 | 1.00 | 0.98 | 10.59 | 4.7 | 15.3 | 10.8 | 9.5 | -28.0 | 6.7 | 465.3 |
| MTG/FCLSD PROP-MISC | 5 | 4 | 9 | 3289 | 4.57 | 0.00 | 2.37 | 3.69 | 8.8 | 38.5 | 1.6 | 0.0 | -19.2 | 51.9 | 114.7 |
| -BANK | 0 | 16 | 16 | 2422 | 5.43 | 0.01 | 0.53 | 4.25 | 15.9 | 40.3 | 8.0 | 0.3 | -21.8 | 9.8 | 136.8 |
| -INDEPEND | 0 | 37 | 37 | 3039 | 1.51 | 0.00 | 0.40 | 2.73 | 15.1 | 42.8 | 6.7 | 0.0 | 80.5 | 26.8 | 243.3 |
| AVERAGE 3 MTG/FCLSD PROP | | | 62 | 2916 | 2.96 | 0.00 | 0.72 | 3.25 | 14.3 | 41.2 | 4.5 | 0.1 | 9.9 | 24.4 | 494.8 |
| OVERALL AVERAGE | 74 | 67 | 141 | 2547 | 9.12 | 0.47 | 0.88 | 7.87 | 11.2 | 23.2 | 8.9 | 6.1 | -13.7 | 9.7 | 2669.7 |
| DOW-JONES INDUSTRIAL AVERAGE | | | | | | | | 112.79 | 866.86 | 1.1 | 7.7 | 5.7 | | | |

*LATEST QUARTER ANNUALIZED

STRAIGHT BONDS

| ISSUER & DESC. | EX | INT. | MAT | MIL \$ | PRICE | % CHANGE | % YIELD |
|---------------------|----|-------|------|--------|-------|----------|---------|
| BAY COLONY PROP-B | PS | 8.50 | '89 | 17.0 | 75.00 | 7.1 | 11 |
| BAY COLONY PROP-C | NY | 8.50 | '81F | 6.8 | 87.75 | 1.4 | 9 |
| BT MTG INV-C | OC | 5.75 | '82 | 19.4 | 60.00 | 7.1 | 9 |
| CHASE MAN TR-A | OC | 7.88 | '78F | 36.7 | 83.00 | 7.8 | VJ |
| CHASE MAN TR-C | OC | 7.50 | '83 | 41.2 | 47.00 | 14.6 | VJ |
| CITIZN & SO RLY-CD# | PS | 3.00 | '93 | 8.1 | 72.00 | 24.1 | 4 |
| CITIZNS MTG INV-B | OC | 8.50 | '80 | 20.0 | 34.00 | -2.8 | VJ |
| CMEI-C | NY | 6.50 | '82F | 30.0 | 67.50 | 2.3 | 9 |
| CONT ILL RLY-B | NY | 7.63 | '79 | 25.0 | 95.56 | -0.1 | 8 |
| DOMINION MTG-C | OC | 8.00 | '87 | 11.0 | 53.00 | 12.8 | VJ |
| FIRST MTG INV-A | OC | 6.75 | '82 | 9.1 | 55.00 | 0.0 | 12 |
| FIRST NEUPORT-B | OC | 8.75 | '79 | 5.8 | 98.00 | 1.0 | 8 |
| FIRST VA MTG-A | OC | 4.00 | '80 | 14.9 | 74.00 | 0.0 | 5 |
| FIRST VA MTG-BM | OC | 12.00 | '80 | 5.0 | 84.00 | 0.0 | 14 |
| GMR PROPS-B | AS | 7.70 | '80 | 5.1 | 93.00 | 2.1 | 8 |
| GMR PROPS-B | PS | 8.50 | '87 | 15.3 | 73.00 | 9.0 | 11 |
| GREAT AMER MGMT-B | OC | 3.00 | '90 | 15.0 | 43.00 | 0.0 | 7 |
| GREAT AMER MGMT-C | OC | 1.10 | '91 | 10.3 | 0.00 | 0.0 | 0 |
| GROWTH RLY-C | NY | 6.75 | '82 | 9.2 | 78.00 | 0.3 | 8 |
| GUARDIAN MTG-B | PH | 7.50 | '79 | 25.0 | 44.00 | 10.0 | VJ |
| GUARDIAN MTG-C# | PH | 6.75 | '86 | 8.6 | 35.50 | 18.3 | VJ |
| IDS REALTY-H | OC | --- | --- | 86.0 | 60.00 | 3.4 | NC |
| INST INVESTOR-B | OC | 8.25 | '87 | 15.2 | 70.00 | 6.1 | 11 |
| INSTNL INV-B | NY | 7.88 | '80 | 6.5 | 92.75 | 2.8 | 8 |
| JUSTICE MTG-B | OC | 7.75 | '79 | 9.6 | 68.00 | 19.3 | VJ |

STRAIGHT BONDS

| ISSUER & DESC. | EX | INT. | MAT | MIL \$ | PRICE | % CHANGE | % YIELD |
|-----------------|----|-------|------|--------|-------|----------|---------|
| MIDLAND MTG-B | NY | 8.00 | '80 | 14.9 | 91.00 | 2.7 | 8 |
| MTG INV WASH-BG | OC | 11.25 | '80 | 15.0 | 84.00 | 0.0 | 13 |
| NATIONWIDE RE-C | OC | 7.00 | '91 | 6.5 | 68.00 | -2.3 | 10 |
| NO AMER MTG-B | PS | 8.50 | '87 | 12.1 | 70.00 | 9.4 | 12 |
| REALTY REFUND | NY | 11.38 | '98 | 20.0 | 96.25 | 2.9 | 11 |
| REALTY REFUND-C | NY | 12.00 | '98 | 15.0 | 96.25 | -0.6 | 12 |
| SAUL (B.F.)-C | NY | 8.50 | '80 | 25.0 | 95.50 | 1.2 | 8 |
| SECURITY MTG-# | AS | 7.25 | '82 | 37.5 | 89.75 | 0.8 | 8 |
| SECURITY MTG-C# | OC | 6.00 | '82 | 5.3 | 68.00 | 0.0 | 8 |
| SO ATLANTIC-C# | NY | 6.75 | '82F | 16.9 | 73.25 | -0.2 | 9 |
| STATE MTG INV-B | NY | 9.00 | '80F | 6.2 | 94.38 | 0.9 | 9 |
| TRECO-C | OC | 6.75 | '91 | 5.3 | 52.00 | 4.0 | 13 |
| TRI-SOUTH MTG-B | NY | 7.75 | '80F | 11.4 | 92.50 | 3.1 | 8 |

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-3% TO 9/30/82, 7% AFTER. M-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-FIVE SERIES, A-E: 6-7/8%, 7-1/8%, 7-3/8%, TWO VARIABLE; 1987-94. VJ-BANKRUPTCY REORGANIZATION.

X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT.

#-MAY BE USED AT PAR TO EXERCISE WARRANTS.

F-TRADES FLAT, WITHOUT ACCRUED INTEREST.

TRECO FORMERLY TRADED AS BARNETT MTG.

CMEI FORMERLY TRADED AS COUSINS MTG & EQUITY.

| | EXCH/ SYMBOL | SHARE (000) | BOOK VALUE | ANN DIV | -EARNINGS-- MON ANN | LAST PRICE | % CHANGE MON AGO | FROM- JAN 1 | P/E RATIO | ANN YIELD | % PR TO BK | RETURN ON BK | MKT VA (MILS) |
|---|------------------|----------------|---------------|------------|------------------------|----------------|---------------------|----------------|--------------|--------------|---------------|-----------------|------------------|
| PROPERTY TRUSTS-OVER \$25M ASSETS | | | | | | | | | | | | | |
| 2 | AMER EQUITY IT# | OC-AEQTS | 2497 | 10.57 | 1.20 ↑ DEC | 1.41 ↑ 8.50 | 9.7 | 6.3 | 6.0 | 14.1 | -19.6 | 13.3 | 21.2 |
| NR | CMNWLTHT RLTY # | OC-CRYC | 1180 | 10.95 | 0.80 AUG | 1.48 9.00 | 0.0 | -5.3 | 6.1 | 8.9 | -17.8 | 13.5 | 10.6 |
| 3 | CONSOL CAP RLY# | OC-CPCLS | 1989 | 25.29 | 2.06 NOV | 2.75 28.50 | 5.6 | 14.0 | 10.4 | 7.2 | 12.7 | 10.9 | 56.7 |
| 3 | CONT ILL PROP# | NY-CIE | 4808 | 23.57 | 1.36 JAN | 1.48 24.38 X | 37.3 | 56.0 | 16.5 | 5.6 | 3.4 | 6.3 | 117.2 |
| 2 | DENVER REIA# | OC-DENVS | 1101 | 16.13 | 0.80 ↑ DEC | 1.56 ↑ 13.75 | 12.2 | 31.0 | 8.8 | 5.8 | -14.8 | 9.7 | 15.1 |
| 1 | FEDERAL REALTY# | AS-FRT | 1450 | 13.34 | 1.36 DEC | 1.68 16.50 X | 6.0 | 10.9 | 9.8 | 8.2 | 23.7 | 12.6 | 63.9 |
| 1 | FIRST UNION # | NY-FUR | 4428 | 16.66 | 1.08 OCT | 1.24 14.00 X | 16.5 | 30.2 | 11.3 | 7.7 | -16.0 | 7.4 | 42.0 |
| 1 | FLORIDA GULF# | OC-FGLFS | 997 | 20.08 | 1.28 JAN | 1.40 ↓ 13.25 | 6.0 | 12.8 | 9.5 | 9.7 | -34.0 | 7.0 | 13.2 |
| 3 | GENERAL GROWTH# | NY-GGP | 6202 | 10.57 | 1.56 DEC | 1.91 28.75 X | 0.9 | 9.0 | 15.1 | 5.4 | 172.0 | 18.1 | 178.3 |
| 2 | GOULD INVESTOR# | AS-GTR | 1170 | 17.46 | 0.88 DEC | 1.58 11.25 | 9.8 | 30.4 | 7.1 | 7.8 | -35.6 | 9.0 | 13.2 |
| 1 | GREIT REALTY | AS-GRT | 998 | 11.33 | 0.40 ← JAN | 0.68 9.13 X | 17.1 | 28.1 | 13.4 | 4.4 | -19.4 | 6.0 | 9.1 |
| 1 | HUBBARD REI | NY-HRE | 4004 | 24.81 | 1.60 JAN | 1.72 18.00 | 9.1 | 11.6 | 10.5 | 8.9 | -27.4 | 6.9 | 72.1 |
| 2 | NEW PLAN RLTY# | AS-NPR | 3037 | 5.47 | 0.78 ← JAN | 0.72 9.88 X | -8.6 | 6.8 | 13.7 | 7.9 | 80.6 | 13.2 | 30.0 |
| 1 | PENN REIT | AS-PR | 1561 | 13.17 | 1.45 FEB | 1.84 ↑ 17.75 | 14.5 | 9.2 | 9.6 | 8.2 | 34.8 | 14.0 | 27.7 |
| 3 | PRUDENT REIT# | AS-PRU | 3146 | 8.32 | 0.28 NOV | 0.48 7.25 | 65.5 | 123.1 | 15.1 | 3.9 | -12.9 | 5.8 | 22.8 |
| 2 | REIT OF AMERICA | AS-REI | 1633 | 21.86 | 1.60 ↑ FEB | 1.89 19.88 X | 19.3 | 27.2 | 10.5 | 8.0 | -9.1 | 8.6 | 32.5 |
| 2 | SAN FRAN RE # | AS-SFI | 1376 | 24.68 | 1.60 DEC | 1.60 21.25 | 11.8 | 14.9 | 13.3 | 7.5 | -13.9 | 6.5 | 29.2 |
| NR | UNIVERSITY REIT# | OC-UPETS | 2514 | 9.07 | 0.72 ← DEC | 0.39 9.25 X | 0.6 | -6.4 | 23.7 | 7.8 | 2.0 | 4.3 | 23.3 |
| NR | USP REIT # | OC-USPTS | 2500 | 9.25 | 0.71 DEC | 0.69 7.75 | 0.0 | 0.0 | 11.2 | 9.2 | -16.2 | 7.5 | 19.4 |
| 2 | VIRGINIA REI# | OC-VARES | 1161 | 14.05 | 0.80 SEP | 0.76 12.00 | 0.0 | 2.1 | 15.8 | 6.7 | -14.6 | 5.4 | 13.9 |
| 2 | WASH REIT # | AS-WRE | 1518 | 18.10 | 1.96 DEC | 2.36 25.50 | 12.1 | 21.4 | 10.8 | 7.7 | 40.9 | 13.0 | 38.7 |
| GROUP AVERAGE | | 2346 | 15.46 | 1.16 | | 1.41 15.50 | 11.7 | 17.3 | 11.0 | 7.5 | 0.2 | 9.1 | 830.1 |
| PROPERTY TRUSTS-SPECIALITY PROPS & UNDER \$25M ASSETS | | | | | | | | | | | | | |
| NR | GENERAL RE SHS | OC-GRELS | 557 | 7.28 | 1.21 DEC | 1.29 8.50 | 13.3 | 13.3 | 6.6 | 14.2 | 16.8 | 17.7 | 4.7 |
| NR | HOTEL INVESTOR# | AS-HOT | 1568 | 19.96 | 2.00 ↑ NOV | 2.32 18.88 X | 14.0 | 18.9 | 8.1 | 10.6 | -5.4 | 11.6 | 29.6 |
| NR | PITTS & W VA RA | AS-PW | 1510 | 22.72 | 0.56 DEC | 0.88 ↑ 6.00 | -4.0 | 4.3 | 6.8 | 9.3 | -73.6 | 3.9 | 9.1 |
| NR | RE INV PROPS # | OC-RIIPS | 959 | 8.55 | 1.28 DEC | 1.16 11.50 X | 2.8 | 4.5 | 9.9 | 11.1 | 34.5 | 13.6 | 11.0 |
| NR | REIT OF CALIF | OC-RTCAL | 550 | 9.27 | 1.28 DEC | 1.84 15.00 | 0.0 | 0.0 | 8.2 | 8.5 | 61.8 | 19.8 | 8.3 |
| NR | TERRYDALE R# | OC-TRYLS | 336 | 21.90 | 1.60 DEC | 1.36 16.50 | 3.1 | 17.9 | 12.1 | 9.7 | -24.7 | 6.2 | 5.5 |
| NR | US EQUITY & MTG | OC-USEM | 1214 | 3.35 | 0.68 OCT | 0.84 8.00 | 0.0 | 14.3 | 9.5 | 8.5 | 138.8 | 25.1 | 9.7 |
| GROUP AVERAGE | | 956 | 13.29 | 1.23 | | 1.38 12.05 | 5.7 | 10.8 | 8.7 | 10.2 | -9.3 | 10.4 | 77.9 |
| PROPERTY TRUSTS-SUBOR LAND LEASEBACK | | | | | | | | | | | | | |
| 2 | ICM REALTY | AS-ICH | 3011 | 14.92 | 0.50 FEB | 0.68 ↑ 10.38 | 18.6 | 22.1 | 15.3 | 4.8 | -30.4 | 4.6 | 31.3 |
| 2 | JMB REALTY | OC-JMBRS | 510 | 19.68 | 2.00 ← NOV | 1.92 17.50 X | 10.8 | 14.8 | 9.1 | 11.4 | -11.1 | 9.8 | 8.9 |
| 3 | PROPERTY CAPITL | AS-PCL | 2065 | 13.71 | 1.32 JAN | 1.32 12.13 | 10.3 | 10.3 | 9.2 | 10.9 | -11.5 | 9.6 | 25.0 |
| GROUP AVERAGE | | 1862 | 16.10 | 1.27 | | 1.31 13.34 | 14.8 | 15.1 | 10.2 | 9.5 | -17.2 | 8.1 | 65.2 |
| PROPERTY & MTG COMBINATION | | | | | | | | | | | | | |
| 2N | API TRUST | OC-APITS | 1012 | 7.15 | 0.00 DEC | 0.03 2.63 | 23.5 | 23.5 | 87.7 | 0.0 | -63.2 | 0.4 | 2.7 |
| 1 | BANKAMER RLTY | OC-BRLTS | 3547 | 17.16 | 1.00 JAN | 1.11 14.13 | 18.9 | 36.1 | 12.7 | 7.1 | -17.7 | 6.5 | 50.1 |
| 2N | BRT REALTY | AS-BRT | 1400 | 2.24 | 0.00 FEB | 0.00 1.50 | 8.7 | 20.0 | 0.0 | 0.0 | -33.0 | 0.0 | 2.1 |
| 1 | CONN GEN M&R# | NY-CGM | 5723 | 20.41 | 1.80 ← DEC | 2.01 20.63 X | 15.5 | 14.6 | 10.3 | 8.7 | 1.1 | 9.8 | 118.1 |
| 2 | FLATLEY PLY# | OC-FLTLS | 1000 | 9.37 | 0.20 DEC | 0.64 ↑ 4.25 | 6.3 | 13.3 | 6.6 | 4.7 | -54.6 | 6.8 | 4.3 |
| 1N | INDIANA M&R | OC-INDMS | 1154 | 11.51 | 0.00 DEC | 0.00 5.00 | 25.0 | 42.9 | 0.0 | 0.0 | -56.6 | 0.0 | 5.8 |
| 2 | INVESTORS RL# | AS-IRT | 1479 | 14.24 | 0.60 FEB | 1.00 ↑ 9.00 | 9.1 | 22.0 | 9.0 | 6.7 | -36.8 | 7.0 | 13.3 |
| 2 | MILLER HENRY S | OC-HSMTS | 560 | 19.08 | 1.12 ← NOV | 1.16 15.00 X | 5.4 | 20.0 | 12.9 | 7.5 | -21.4 | 6.1 | 8.4 |
| 1 | MORTGAGE GRO # | AS-MTG | 2640 | 11.78 | 0.80 FEB | 0.80 ↑ 8.38 X | 4.0 | 21.8 | 10.5 | 9.5 | -28.9 | 6.8 | 22.1 |
| 2 | PACIFIC RLTY# | AS-PTR | 840 | 21.29 | 0.80 FEB | 2.09 18.00 X | 14.6 | 29.7 | 8.6 | 4.4 | -15.5 | 9.8 | 15.1 |
| 2 | PROP TR AMER# | OC-PTRAS | 2338 | 9.06 | 0.36 DEC | 0.32 ↓ 5.75 | 4.5 | 24.2 | 18.0 | 6.3 | -36.5 | 3.5 | 13.4 |
| 2 | REALTY INCOME | AS-RI | 1578 | 11.59 | 1.40 JAN | 0.00 11.75 | 8.0 | 6.8 | 0.0 | 11.9 | 1.4 | 0.0 | 18.5 |
| 2 | RIVIERE RLTY # | OC-RIVIG | 783 | 13.95 | 0.60 ← DEC | 1.04 ↑ 5.25 X | 2.9 | -9.8 | 5.0 | 11.4 | -62.4 | 7.5 | 4.1 |
| 2 | WELLS FARGO M&E | NY-WFM | 3919 | 17.70 | 1.20 DEC | 1.38 14.25 | 7.5 | 25.2 | 10.3 | 8.4 | -19.5 | 7.8 | 55.8 |
| GROUP AVERAGE | | 1998 | 13.32 | 0.71 | | 0.83 9.68 | 11.9 | 20.5 | 11.7 | 7.3 | -27.3 | 6.2 | 333.8 |
| SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR | | | | | | | | | | | | | |
| 3 | BAIRD & WARNER | OC-BAIDS | 1043 | 15.35 | 0.05 JAN | 0.00 13.25 | 26.2 | 76.7 | 0.0 | 0.4 | -13.7 | 0.0 | 13.8 |
| 2N | CENTRAL MTG | OC-CMRTS | 775 | 13.42 | 0.00 DEC | 1.41 ↑ 7.63 | 9.0 | 48.7 | 5.4 | 0.0 | -43.1 | 10.5 | 5.9 |
| 2 | FIRST CONTL | OC-FCRES | 2106 | 10.34 | 1.08 NOV | 1.08 8.38 X | 8.1 | 4.8 | 7.8 | 12.9 | -19.0 | 10.4 | 17.6 |
| 3 | FRASER MTG | OC-FRASS | 1038 | 16.62 | 1.12 FEB | 1.08 ↑ 10.75 X | 2.6 | 2.4 | 10.0 | 10.4 | -35.3 | 6.5 | 11.2 |
| 2N | HANOVER SQ RLTY | AS-HSQ | 946 | 11.20 | 0.00 FEB | 0.00 6.13 | 1.9 | -12.4 | 0.0 | 0.0 | -45.3 | 0.0 | 5.8 |
| 2 | LOMAS & NETLTN | NY-LOM | 3700 | 27.84 | 2.04 ↑ MAR | 2.04 ↑ 18.75 | 12.7 | 21.9 | 9.2 | 10.9 | -32.7 | 7.3 | 69.4 |
| 2 | M&T MORTGAGE | OC-MMTIS | 1482 | 10.43 | 1.40 FEB | 1.76 11.50 X | 7.7 | 26.0 | 6.5 | 12.2 | 10.3 | 16.9 | 17.0 |
| 1N | MTG TRUST AMER | NY-MT | 3860 | 13.54 | 0.00 FEB | 0.84 ↓ 8.63 | 23.3 | 43.8 | 10.3 | 0.0 | -36.3 | 6.2 | 33.3 |
| 2 | NATIONWIDE RE | OC-NREIS | 1047 | 24.36 | 0.48 DEC | 0.56 14.25 | 1.8 | 14.0 | 25.4 | 3.4 | -41.5 | 2.3 | 14.9 |
| 2 | SUTRO MTG INV | NY-SIT | 2322 | 15.59 | 1.00 ← MAR | 1.08 10.13 | 3.9 | 22.8 | 9.4 | 9.9 | -35.0 | 6.9 | 23.5 |
| 2 | WESTERN MTG | BO-WMTGS | 1003 | 7.83 | 0.05 ↑ FEB | 0.30 ↑ 4.19 X | 21.1 | 24.0 | 14.0 | 1.2 | -46.5 | 3.8 | 4.2 |
| GROUP AVERAGE | | 1757 | 15.14 | 0.66 | | 0.92 10.33 | 10.6 | 22.4 | 11.2 | 6.4 | -31.8 | 6.1 | 216.6 |
| LONG-TERM MTGS & PROPERTIES | | | | | | | | | | | | | |
| 2N | BT MTG INUSTRS | NY-BIM | 2116 | -3.12 | 0.00 DEC | 0.22 2.25 | 19.7 | 80.0 | 10.2 | 0.0 | -0.0 | -0.0 | 4.8 |
| NR | DEL-VAL FIN CP* | OC-DVALS | 1345 | 9.37 | 1.44 DEC | 1.03 ↓ 11.50 X | 3.3 | 9.5 | 11.2 | 12.5 | 22.7 | 11.0 | 15.5 |
| 3 | EQUIT LP MTG | NY-EQ | 5663 | 23.39 | 2.00 ← JAN | 1.84 17.75 X | -0.7 | 6.0 | 9.6 | 11.3 | -24.1 | 7.9 | 100.5 |
| 1 | HOSPITAL MTG# | AS-HMG | 1178 | 23.12 | 0.60 ← NOV | 0.72 12.13 X | 18.3 | 38.6 | 16.8 | 4.9 | -47.5 | 3.1 | 14.3 |
| 1 | MASSMUTUAL MTG | NY-MML | 4670 | 19.69 | 1.36 JAN | 1.29 13.00 X | 0.7 | 4.0 | 10.1 | 10.5 | -34.0 | 6.6 | 60.7 |
| 2 | MONY MTG INV | NY-MYM | 8952 | 9.72 | 0.92 FEB | 0.72 8.25 X | 4.3 | 8.1 | 11.5 | 11.2 | -15.1 | 7.4 | 73.9 |
| 3 | NONSTN MUT MT | NY-NML | 4758 | 19.07 | 1.00 ← MAR | 0.84 ↑ 10.00 X | 2.5 | 0.0 | 11.9 | 10.0 | -47.6 | 4.4 | 47.6 |
| 1 | PACIFIC SO MTG | OC-PSMTS | 800 | 12.02 | 0.80 DEC | 0.96 8.00 | 0.0 | 16.3 | 8.3 | 10.0 | -33.4 | 8.0 | 6.4 |
| 2 | PNB MTG & RLTY | NY-PNI | 2437 | 19.16 | 1.08 ← MAR | 0.96 ↓ 10.25 X | 6.5 | 22.3 | 10.7 | 10.5 | -46.5 | 5.0 | 25.0 |
| 3 | REALTY REFUND | NY-RRF | 1377 | 17.38 | 1.64 JAN | 1.64 14.75 | -2.5 | 13.5 | 9.0 | 11.1 | -15.1 | 9.4 | 20.3 |
| 2 | RLTY & MTG PAC | OC-RPACS | 1890 | 18.07 | 1.40 FEB | 1.64 15.25 X | 5.8 | 24.5 | 9.3 | 9.2 | -15.6 | 9.1 | 28.8 |
| 1N | SECURITY MTG | AS-SMO | 7410 | 5.70 | 0.00 MAR | 0.06 ↑ 4.00 | 0.0 | 18.3 | 66.7 | 0.0 | -29.8 | 1.1 | 29.6 |
| 1 | UNITED REALTY | AS-URT | 3610 | 17.60 | 0.80 ← FEB | 0.80 ↑ 10.50 X | 15.7 | 29.2 | 13.1 | 7.6 | -40.3 | 4.5 | 37.9 |
| GROUP AVERAGE | | 3554 | 14.71 | 1.00 | | 0.98 10.59 | 4.7 | 15.3 | 10.8 | 9.5 | -28.0 | 6.7 | 465.3 |

#NET CASH FLOW, SEE PAGE 6. TRUSTS REPORTED ON A CASH FLOW BASIS AND DENOTED WITH "N" SYMBOL: BOOK VALUE INCLUDES ACCUMULATED DEPRECIATION. *GROSS CASH FLOW. ARROWS DENOTE NEW EARNINGS OR DIVIDENDS AND DIRECTION. ZEROS INDICATE LOSS OR NO EARNINGS FOR QUARTER SHOWN. EXTRAORDINARY GAINS NOT ANNUALIZED. AMERICAN EQUITY AND ICM REALTY DIVIDENDS TRAILING 12 MONTHS. -0.0 IN % PRICE TO BOOK INDICATES NEGATIVE BOOK VALUE. PH-PHILADELPHIA EXCHANGE. PS-PACIFIC EXCHANGE. BO-BOSTON EXCHANGE.

NR-NOT RANKED. VJ-IN BANKRUPTCY REORGANIZATION. Y-CH. XI REORGANIZATION COMPLETED.

CONTINENTAL MTG. EARNINGS FOR 4 MONTHS ENDED JULY 31, 1978 BEFORE RESULT OF INCLUDING OPERATIONS OF SUBSIDIARIES.

BID PRICES SHOWN FOR ALL OVER THE COUNTER STOCKS.

NAME CHANGE: COUSINS MTG. & EQUITY TO NEWCORP INC. INSERTION: USP REIT IN PROPERTY TRUSTS-OVER \$25M ASSETS.

GROUP CHANGE: FROM MTG. & FORECLOSED PROP-NON QUAL-FIN SPONSORS TO MTG & FORECLOSED PROP-NON-QUAL-INDEPENDENT: ATLANTA NATIONAL; BARNES MTG INV; SOUTH ATLANTIC. TO MTG & FORECLOSED PROP-NON-QUAL-INDEPENDENT: MARYLAND REALTY FROM NON-QUAL-COMCL BANK SPONSOR; MIDLAND MTG. FROM QUALIFIED-MISC SPONSOR. CONT ILL RLTY FROM QUALIFIED-MISC SPONSOR TO NON-QUAL-COMCL BANK SPONSOR.

| | EXCH/ SYMBOL | SHARE (000) | BOOK VALUE | ANN DIV | -EARNINGS-- MON ANN | LAST PRICE | % CHANGE MON AGO | FROM- JAN 1 | P/R RATIO | ANN YIELD | % PR TO BK | RETURN ON BK | MKT VA (MILS) |
|---|----------------------|----------------|---------------|------------|------------------------|---------------|---------------------|----------------|--------------|--------------|---------------|-----------------|------------------|
| MTG & FORECLOSED PROPERTY-MISC SPONSOR | | | | | | | | | | | | | |
| 2N | AMER CENTURY MT | NY-ACT | 2607 | 5.13 | 0.00 | DEC | 0.00 | 3.88 | 3.5 | 24.0 | 0.0 | 0.0 | 10.1 |
| 2N | Y COLWELL MTG | OC-CLMTS | 2030 | 2.83 | 0.00 | DEC | 0.00 | 2.50 | 28.9 | 66.7 | 0.0 | 0.0 | 5.1 |
| 4N | HEITMAN MTG | AS-HTM | 3292 | 1.65 | 0.00 | DEC | 0.00 | 1.63 | 8.7 | 18.1 | 0.0 | 0.0 | 5.4 |
| 3N | MISSION INV TR | AS-MIT | 1812 | 4.92 | 0.00 | FEB | 0.05 | 4.88 | -2.4 | 5.4 | 97.6 | 0.0 | 8.8 |
| 3N | NORTH AMER MTG | NY-NAM | 6901 | 6.25 | 0.00 | DEC | 0.00 | 4.25 | 6.3 | 54.5 | 0.0 | 0.0 | 29.3 |
| GROUP AVERAGE | | 3328 | 4.16 | 0.00 | | 0.01 | 3.43 | 5.9 | 28.0 | 342.8 | 0.0 | -17.5 | 58.7 |
| PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT) | | | | | | | | | | | | | |
| 5N | AMER REALTY | OC-ARB | 2222 | 2.97 | 0.00 | DEC | 0.00 | 2.88 | 64.6 | 44.0 | 0.0 | 0.0 | 6.4 |
| 3N | BAY COLONY PROP | NY-BAY | 3315 | 6.27 | 0.00 | FEB | 0.00 | 4.88 | 5.4 | 22.0 | 0.0 | 0.0 | 16.2 |
| 3 | C I REALTY # | NY-CIX | 2609 | 21.90 | 0.40 | NOV | 0.96 | 24.50 X | 24.6 | 117.8 | 25.5 | 1.6 | 63.9 |
| 3N | CITIZENS GROWTH | OC-CITGS | 811 | 6.85 | 0.00 | OCT | 0.02 | 4.00 | 14.3 | 45.5 | 200.0 | 0.0 | 3.2 |
| 2N | FRANKLIN RLTY | AS-FR | 999 | 8.14 | 0.00 | DEC | 0.44 | 7.88 | 16.7 | 57.6 | 17.9 | 0.0 | 7.9 |
| 2N | SAUL (BF) REIT | NY-BFS | 5893 | 4.56 | 0.00 | DEC | 0.00 | 8.00 | 6.7 | 25.4 | 0.0 | 0.0 | 47.1 |
| 2N | SUMMIT PROP # | OC-SMTS | 1543 | 11.81 | 0.00 | OCT | 0.00 | 4.25 | 21.4 | 54.5 | 0.0 | 0.0 | 6.6 |
| 2N | US REALTY # | NY-UTY | 3434 | 13.77 | 0.00 | DEC | 0.52 | 7.00 | 27.3 | 43.4 | 13.5 | 0.0 | 24.0 |
| 2N | WALTER RLTY # | OC-WALJS | 1035 | 8.06 | 0.00 | JAN | 0.00 | 5.38 | 13.3 | 16.2 | 0.0 | 0.0 | 5.6 |
| 2 | WISCONSIN RE # | OC-WREIS | 1514 | 8.68 | 0.04 | DEC | 0.00 | 3.38 X | 18.8 | 107.4 | 0.0 | 1.2 | 5.1 |
| GROUP AVERAGE | | 2338 | 9.30 | 0.04 | | 0.19 | 7.22 | 19.5 | 59.4 | 37.2 | 0.6 | -22.4 | 186.0 |
| MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT | | | | | | | | | | | | | |
| 2N | ATLANTA NATL | OC-ATNAS | 1273 | 8.96 | 0.00 | NOV | 0.00 | 4.25 | -5.6 | 6.3 | 0.0 | 0.0 | 5.4 |
| 3N | BARNES MTG INV | OC-BARNES | 1910 | 9.82 | 0.00 | DEC | 0.00 | 2.50 | 17.4 | 33.0 | 0.0 | 0.0 | 4.8 |
| 4N | BUILDERS INV | OC-BULDS | 2929 | 0.54 | 0.00 | DEC | 0.46 | 2.06 | 13.8 | -13.4 | 4.5 | 0.0 | 6.0 |
| 2N | CAPITAL MTG | PH-CMU | 1675 | -1.04 | 0.00 | DEC | 0.19 | 1.25 | -9.4 | 42.0 | 6.6 | 0.0 | 2.1 |
| 5N | VICITIZENS MTG | OC-CZM | 1421 | -17.17 | 0.00 | SEP | 0.00 | 0.38 | 0.0 | 52.0 | 0.0 | 0.0 | 0.5 |
| 1N | COMPASS INV GP | OC-CMPSS | 3109 | 3.96 | 0.00 | DEC | 0.53 | 1.38 | 16.0 | 10.4 | 2.6 | 0.0 | 4.3 |
| 4N | VJCONTINENTAL MTG | OC-CMI | 20838 | -6.65 | 0.00 | JUL | 0.09 | 0.38 | 0.0 | 100.0 | 4.2 | 0.0 | 7.9 |
| 2N | DIVERSIFIED MTG | NY-DMG | 7326 | 8.50 | 0.00 | DEC | 0.06 | 4.88 | -2.4 | 34.4 | 81.3 | 0.0 | 35.8 |
| 3N | VJDOMINION MGR | OC-DMRTS | 639 | -9.59 | 0.00 | FEB | 0.09 | 1.38 | 38.0 | 56.8 | 15.3 | 0.0 | 0.9 |
| 1N | EASTOVER CORP | OC-EASTS | 1034 | 12.14 | 0.00 | DEC | 0.57 | 9.00 | 12.5 | 20.0 | 15.8 | 0.0 | 9.3 |
| 2N | FIRST MORTGAGE | OC-FMTGS | 8495 | -5.80 | 0.00 | OCT | 0.17 | 1.69 | 35.2 | 168.3 | 9.9 | 0.0 | 14.4 |
| 2N | FIRST NEWPORT R | OC-FNRIS | 2339 | 3.41 | 0.00 | JAN | 0.34 | 3.50 | 40.0 | 153.6 | 10.3 | 0.0 | 8.2 |
| 3N | FIRST VIR REIT | OC-FVM | 1208 | 7.16 | 0.00 | DEC | 0.53 | 3.38 | 22.9 | 144.9 | 6.4 | 0.0 | 4.1 |
| 1N | Y GREAT AMER M&I | OC-GAA | 4456 | -11.90 | 0.00 | OCT | 0.70 | 1.00 | 0.0 | 163.2 | 1.4 | 0.0 | 4.5 |
| 2N | GROWTH RLTY | NY-GRW | 2059 | 7.42 | 0.00 | DEC | 0.00 | 5.00 | 8.0 | 25.0 | 0.0 | 0.0 | 10.3 |
| 4N | VJGUARDIAN MTG | PH-GMI | 3000 | -12.82 | 0.00 | NOV | 0.98 | 1.19 | 58.7 | 112.5 | 1.2 | 0.0 | 3.6 |
| 2N | HAMILTON INV | OC-HAMTS | 2178 | 5.28 | 0.00 | DEC | 0.00 | 3.13 | 31.5 | 56.5 | 0.0 | 0.0 | 6.8 |
| 1N | INSTITUTNAL | NY-INV | 6074 | 2.88 | 0.00 | OCT | 0.00 | 2.25 | 12.5 | 12.5 | 0.0 | 0.0 | 13.7 |
| 2N | KENTUCKY PROPTY | OC-KHTGS | 1100 | 2.98 | 0.00 | NOV | 0.37 | 2.63 | 5.2 | 23.5 | 7.1 | 0.0 | 2.9 |
| 5N | Y LIFETIME COM | OC-LFTMS | 6632 | 2.87 | 0.00 | JAN | 0.08 | 1.38 | 38.0 | 119.0 | 17.3 | 0.0 | 9.2 |
| 2N | LINCOLN MTG | OC-LNMGs | 1155 | 1.17 | 0.00 | DEC | 0.31 | 2.25 | -7.8 | 19.7 | 7.3 | 0.0 | 2.6 |
| 1N | MARYLAND REALTY | OC-MDRTS | 760 | 8.50 | 0.00 | FEB | 0.00 | 4.13 | 18.0 | 29.9 | 0.0 | 0.0 | 3.1 |
| 5N | VJMETROPLEX RLTY | OC-JMI | 1184 | 0.86 | 0.00 | DEC | 0.00 | 0.50 | 0.0 | 31.6 | 0.0 | 0.0 | 0.6 |
| 2N | MIDLAND MTG | NY-MMT | 2382 | 0.32 | 0.00 | DEC | 0.06 | 2.38 | 26.6 | 36.0 | 39.7 | 0.0 | 5.7 |
| 1N | MORAGA CORP | OC-MORA | 1355 | 6.90 | 0.00 | JAN | 6.46 | 4.75 | 35.7 | 51.8 | 0.7 | 0.0 | 6.4 |
| 3N | MTG INV WASH | OC-MINVS | 2146 | 4.10 | 0.00 | DEC | 0.00 | 2.38 | 26.6 | 36.0 | 0.0 | 0.0 | 5.1 |
| 4N | Y NATIONAL MTG | OC-NMF | 3707 | 2.03 | 0.00 | NOV | 0.00 | 1.00 | 13.6 | 37.0 | 0.0 | 0.0 | 3.7 |
| 3N | NEUCOPP INC | NY-NUC | 3854 | 0.89 | 0.00 | FEB | 0.06 | 3.25 | 3.8 | 23.6 | 54.2 | 0.0 | 12.5 |
| 3N | Y NJB PRIME INV | OC-NJB | 1330 | -7.81 | 0.00 | NOV | 0.00 | 3.13 | 19.0 | 213.0 | 0.0 | 0.0 | 4.2 |
| 5N | PLAZA REALTY | OC-PRIS | 1114 | 0.73 | 0.00 | SEP | 0.00 | 1.50 | 70.5 | 70.5 | 0.0 | 0.0 | 1.7 |
| 3N | REPUBLIC MTG | NY-RMI | 2107 | 3.57 | 0.00 | DEC | 0.00 | 2.25 | 12.5 | 63.0 | 0.0 | 0.0 | 4.7 |
| 2N | SOUTH ATLANTIC | NY-SAT | 2706 | 2.98 | 0.00 | JAN | 0.00 | 4.13 | 3.3 | 37.7 | 0.0 | 0.0 | 11.2 |
| 1N | TEXAS FIRST MTG | OC-TFMS | 1055 | 7.95 | 0.00 | DEC | 0.00 | 5.13 | 24.2 | 71.0 | 0.0 | 0.0 | 5.4 |
| 2N | TIERGO | OC-TIERS | 1170 | 6.76 | 0.00 | DEC | 0.13 | 3.75 | 25.0 | 42.6 | 28.8 | 0.0 | 4.4 |
| 2N | TRECO | OC-TRECS | 2238 | 0.89 | 0.00 | DEC | 0.00 | 1.31 | 23.6 | 23.6 | 0.0 | 0.0 | 2.9 |
| 4N | UMET TRUST | NY-UAT | 2109 | 0.48 | 0.00 | FEB | 2.79 | 3.00 | 9.1 | 59.6 | 1.1 | 0.0 | 6.3 |
| 2N | WESTPORT CO | OC-WSPTS | 2388 | 4.58 | 0.00 | JAN | 0.00 | 3.38 | 17.4 | 38.5 | 0.0 | 0.0 | 8.1 |
| GROUP AVERAGE | | 3039 | 1.51 | 0.00 | | 0.40 | 2.73 | 15.1 | 42.8 | 6.7 | 0.0 | 80.5 | 243.3 |
| MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR | | | | | | | | | | | | | |
| 3N | AMER FLETCHER M | OC-AFM | 1352 | 1.54 | 0.00 | JAN | 1.22 | 3.00 | 50.0 | 84.0 | 2.5 | 0.0 | 4.1 |
| 1N | CAMERON-BROWN | NY-CB | 2016 | 8.42 | 0.00 | DEC | 1.27 | 4.25 | 30.8 | 61.6 | 3.3 | 0.0 | 8.6 |
| 5N | VJCHASE MAN MTG | OC-CMR | 5098 | -6.04 | 0.00 | FEB | 0.00 | 1.06 | 41.3 | 112.0 | 0.0 | 0.0 | 5.4 |
| NR | CITINATL DEV | OC-CIT16 | 600 | 13.13 | 0.00 | DEC | 0.00 | 8.75 | 11.0 | 16.7 | 0.0 | 0.0 | 5.3 |
| 3N | CITIZENS&SO RLTY | NY-CZS | 5443 | 1.50 | 0.00 | DEC | 0.00 | 1.75 | 26.8 | 54.9 | 0.0 | 0.0 | 9.5 |
| 2 | CLEVELAND TRUST RLTY | OC-CTRIS | 2525 | 10.72 | 0.20 | DEC | 0.08 | 7.13 | 21.3 | 90.1 | 89.1 | 2.8 | 18.0 |
| 3N | CONT ILL RLTY | NY-CTR | 2797 | 5.71 | 0.00 | DEC | 3.44 | 3.88 | -3.0 | 47.5 | 1.1 | 0.0 | 10.9 |
| 1N | FIDELCO GROWTH | AS-FGI | 1580 | 6.82 | 0.00 | FEB | 0.40 | 4.25 | 2.9 | 2.9 | 10.6 | 0.0 | 6.7 |
| 1N | FIRST DENVER MI | OC-FDENS | 1621 | 7.42 | 0.00 | MAR | 0.54 | 3.50 | 33.1 | 64.3 | 6.5 | 0.0 | 5.7 |
| 2N | FIRST MEMPHIS | OC-FMTMS | 1156 | 7.32 | 0.00 | FEB | 1.14 | 4.75 | 35.7 | 72.7 | 4.2 | 0.0 | 5.5 |
| 3N | FIRST PENN MTG | NY-FPM | 2961 | 1.65 | 0.00 | JAN | 0.00 | 2.25 | 12.5 | 50.0 | 0.0 | 0.0 | 6.7 |
| 3N | FIRST WISCONSIN | OC-FWMTS | 1988 | 5.41 | 0.00 | DEC | 0.00 | 4.00 | 6.7 | 38.9 | 0.0 | 0.0 | 8.0 |
| 5N | INDEPENDENCE MT | OC-INTGS | 2500 | -3.87 | 0.00 | DEC | 0.00 | 2.25 | 19.7 | 125.0 | 0.0 | 0.0 | 5.6 |
| 2N | NY FINANCIAL TN | OC-NFINS | 1510 | 14.44 | 0.00 | DEC | 0.00 | 9.25 | 5.7 | 13.8 | 102.8 | 0.0 | 14.0 |
| 2N | TPT-SOUTH MTG | NY-TSI | 2276 | 3.59 | 0.00 | DEC | 0.30 | 3.25 | 8.3 | 44.4 | 10.8 | 0.0 | 7.4 |
| 2N | WACHOVIA RLTY | NY-WRI | 3335 | 9.13 | 0.00 | FEB | 0.00 | 4.63 | 19.3 | 19.3 | 0.0 | 0.0 | 15.4 |
| GROUP AVERAGE | | 2422 | 5.43 | 0.01 | | 0.53 | 4.25 | 15.9 | 40.3 | 8.0 | 0.3 | -21.8 | 136.8 |
| MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS | | | | | | | | | | | | | |
| 3N | CI MTG GROUP | PH-CI | 4812 | 5.83 | 0.00 | JAN | 9.19 | 5.75 | 53.3 | 91.7 | 0.6 | 0.0 | 27.7 |
| 1N | GMR PROP | NY-GMR | 2956 | 2.71 | 0.00 | NOV | 0.00 | 2.75 | 10.0 | 46.3 | 0.0 | 0.0 | 8.1 |
| 3N | IDS REALTY | OC-IDR | 2409 | 3.65 | 0.00 | OCT | 12.01 | 2.63 | 10.5 | 90.6 | 0.2 | 0.0 | 6.3 |
| 2N | STATE MUTUAL | NY-SMU | 2786 | 8.19 | 0.00 | DEC | 0.10 | 5.00 | -13.0 | 14.2 | 50.0 | 0.0 | 13.9 |
| GROUP AVERAGE | | 3241 | 5.10 | 0.00 | | 5.33 | 4.03 | 12.2 | 51.6 | 0.8 | 0.0 | -20.9 | 56.0 |
| PREFERRED STOCK & REIT FUNDS | | | | | | | | | | | | | |
| NR | COLWELL PFD | OC-CLMP | 2149 | 7.50L | 0.00 | DEC | 0.00 | 2.50 | 5.0 | 5.0 | 0.0 | 0.0 | 5.4 |
| NR | RET INCOME | AS-RET | 3794 | 3.09N | 0.00 | SEP | 0.08 | 2.38 | 19.0 | 19.0 | 29.8 | 0.0 | 9.0 |
| NR | RET-\$4.38 PFD | AS-RETR | 575 | 51.63C | 4.38 | --- | 0.00 | 43.75 | 0.9 | 2.9 | 0.0 | 10.0 | 25.2 |
| NR | S-G SECURITIES | AS-SGO | 1425 | 1.86N | 0.00 | OCT | 0.00 | 2.00 | 0.0 | 0.0 | 0.0 | 0.0 | 2.9 |
| NR | S-G \$1.70 PFD | AS-SGOPF | 660 | 21.15C | 1.70 | --- | 0.00 | 14.50 | 1.8 | 5.5 | 0.0 | 11.7 | 9.6 |
| NR | TRECO-PFD A I | OC-N/A | 779 | 1.00L | 0.00 | --- | 0.00 | 0.75 | 19.0 | 19.0 | 0.0 | 0.0 | 0.6 |
| NR | TRECO-PFD AII | OC-N/A | 260 | 1.00L | 0.00 | --- | 0.00 | 0.25 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| GROUP AVERAGE | | 1377 | 12.46 | 0.87 | | 0.01 | 9.45 | 4.3 | 4.1 | 826.6 | 9.2 | -24.2 | 52.8 |

L=LIQUIDATING VALUE. N=NET ASSET VALUE. C=CALL PRICE. NR=NOT RANKED. TRECO PFD A SERIES I: CONVERTIBLE AT \$1.62.

CONVERTIBLE DEBENTURES

| DEBENTURE | EX | MAT | INT (%) | CONV AT | RECENT PRICE | YIELD (%) | % CHNG | CONV PARITY | STOCK PRICE |
|--------------|----|------|---------|---------|--------------|-----------|--------|-------------|-------------|
| ALAMAND CORP | OC | '91F | 6.50 | 27.75 | 55.00 | 11.8 | -1.7 | 15.26 | 4.75 |
| AMER CENTURY | AS | '90 | 7.00 | 21.00 | 60.50 | 11.6 | 3.2 | 12.70 | 3.88 |
| AMER CENTY'B | NY | '91 | 6.75 | 28.00 | 60.00 | 11.3 | 2.3 | 16.80 | 3.88 |
| AMER REALTY | OC | '84F | 7.00 | 10.40 | 55.00 | DEF | 0.0 | 5.72 | 2.88 |
| BATRD&WARNER | OC | '91 | 6.75 | 21.00 | 72.00 | 9.4 | 1.4 | 15.12 | 13.25 |
| BANKAMERICA | OC | '90 | 6.75 | 21.00 | 78.00 | 8.7 | 0.0 | 16.38 | 14.13 |
| CAPITAL MTG | OC | '91F | 6.50 | 33.00 | 56.00 | 11.6 | 9.8 | 18.48 | 1.25 |
| CHASE MANHTN | OC | '96F | 6.50 | 55.00 | 47.00 | VJ | 14.6 | 25.85 | 1.06 |
| CHASE MANHTN | OC | '97 | 11.63 | 2.25 | 47.00 | VJ | 14.6 | 1.05 | 1.06 |
| COMPASS GP | OC | '98F | 8.25 | 1.35 | 105.00 | 7.9 | 7.1 | 1.41 | 1.38 |
| CONN GENERAL | NY | '96 | 6.00 | 32.50 | 69.75 | 8.6 | 3.3 | 22.66 | 20.63 |
| CONTNLT LG | OC | '90 | 6.25 | 19.79 | 34.00 | VJ | 11.5 | 6.72 | 0.38 |
| EQUITBL LF M | NY | '90 | 6.75 | 26.25 | 78.00 | 8.7 | 4.0 | 20.47 | 17.75 |
| FIRST NEWPT | OC | '91F | 6.75 | 27.50 | 53.00 | 12.7 | 6.0 | 14.57 | 3.50 |
| FIRST PENN M | OC | '91F | 6.75 | 8.65 | 55.00 | 12.3 | 7.8 | 4.75 | 2.25 |
| FIRST UNION | NY | '91 | 7.00 | 13.00 | 105.38 | 6.6 | 22.5 | 13.69 | 14.00 |
| FRANKLIN RLY | AS | '89 | 7.00 | 10.00 | 85.38 | 8.2 | 12.3 | 8.53 | 7.88 |
| HANOVER SQ R | AS | '92 | 7.25 | 21.00 | 76.25 | 9.5 | 0.0 | 16.01 | 6.13 |
| HEITMAN MTG | AS | '92 | 7.50 | 14.70 | 61.00 | 12.3 | 3.2 | 8.96 | 1.63 |
| HOTEL INVSTR | OC | '90 | 7.75 | 21.00 | 87.00 | 8.9 | 10.1 | 18.27 | 18.88 |
| HOTEL INVTES | OC | '91 | 7.50 | 25.25 | 77.00 | 9.7 | 4.1 | 19.44 | 18.88 |
| LINCOLN MTG | OC | '90 | 8.00 | 11.00 | 57.00 | 14.0 | 7.5 | 6.27 | 2.25 |
| MASSMUTL MTG | NY | '90 | 6.75 | 21.00 | 74.00 | 9.1 | -3.2 | 15.54 | 13.00 |
| MASSMUTUAL M | NY | '91 | 6.25 | 33.50 | 74.00 | 8.4 | -1.9 | 24.79 | 13.00 |
| MIDLAND MTG | OC | '86 | 7.00 | 16.67 | 56.00 | 12.5 | 3.7 | 9.33 | 2.38 |
| MONY MTG IN | NY | '90 | 7.00 | 11.00 | 79.00 | 8.9 | 0.0 | 8.69 | 8.25 |
| MTG INV WASH | OC | '90 | 8.00 | 15.00 | 64.00 | 12.5 | -4.4 | 9.60 | 2.38 |
| NOWSTRN MUTL | NY | '91 | 6.00 | 21.00 | 71.00 | 8.5 | 0.0 | 14.91 | 10.00 |
| PAC REAL TR | AS | '92 | 7.00 | 26.25 | 75.13 | 9.3 | 0.2 | 19.72 | 18.00 |
| PACIFIC | OC | '91 | 6.75 | 21.00 | 71.00 | 9.5 | 0.0 | 14.91 | 15.25 |
| REALTY INCOM | AS | '91 | 8.00 | 18.00 | 74.00 | 10.8 | 3.5 | 13.32 | 11.75 |
| REPUBLIC MI | NY | '90 | 9.00 | 19.00 | 95.00 | 9.5 | 5.4 | 18.05 | 2.25 |
| SAUL (BF) RL | OC | '91 | 6.50 | 23.00 | 68.00 | 9.6 | 0.0 | 15.64 | 8.00 |
| SAUL(BF) REI | OC | '90 | 8.00 | 15.50 | 80.00 | 10.0 | 6.7 | 12.40 | 8.00 |
| STATE MUTUAL | AS | '91 | 6.75 | 21.00 | 70.00 | 9.6 | 0.0 | 14.70 | 5.00 |
| SUTRO MIT | NY | '82 | 6.75 | 20.00 | 84.63 | 8.0 | 0.2 | 16.92 | 10.13 |
| SUTRO MTG | AS | '91 | 6.75 | 20.00 | 66.63 | 10.1 | 0.2 | 13.32 | 10.13 |
| TRECO | OC | '98 | 8.50 | 1.62 | 84.00 | 10.1 | 12.0 | 1.36 | 1.31 |
| TRI-SO / SR | PH | '88 | 10.00 | 2.50 | 130.00 | 7.7 | 13.0 | 3.25 | 3.25 |
| TRI-SOUTH MI | NY | '92F | 7.00 | 29.50 | 58.50 | 12.0 | 4.5 | 17.25 | 3.25 |
| US REALTY IN | NY | '89 | 5.75 | 20.20 | 61.00 | 9.4 | 7.7 | 12.32 | 7.00 |
| WESTPORT CO | OC | '91 | 6.75 | 21.00 | 60.00 | 11.3 | 0.0 | 12.60 | 3.38 |

CONVERSION PARITY IS PRICE AT WHICH SHARES WOULD HAVE TO SELL TO JUSTIFY DEBENTURE PRICE. VJ=IN BANKRUPTCY REORGANIZATION. F=TRADES FLAT, WITHOUT ACCRUED INTEREST. DEF=IN DEFAULT. PH=PHILADELPHIA EXCHANGE. PS=PACIFIC EXCHANGE.

PACIFIC REALTY TRUST FORMERLY TRADED AS US BANCORP TRUST. TRECO FORMERLY TRADED AS BARNETT MTG.

WARRANTS

| NAME | EXCH/ SYMBOL | EXP DATE | OUT (000) | EXER PRICE | NO. SH. | WTS PRICE | STK PRICE | CONV PREM | % CHG | MKT V.A (MIL.) |
|--------------|--------------|----------|-----------|------------|---------|-----------|-----------|-----------|-------|----------------|
| BARNES MTG | O-BARNW | 12/82 | 1910 | 20.00 | 1.0 | 0.05 | 2.50 | 702.0 | 0.0 | 0.1 |
| CAPITAL MTG | O-CMORR | 11/79 | 471 | 16.59 | 1.0 | 0.03 | 1.25 | 1229.6 | 0.0 | 0.0 |
| CI MTG | PH-CI.W | 3/80 | 2854 | 20.00 | 1.0 | 0.09 | 5.75 | 249.4 | 350.0 | 0.3 |
| CITIZNS&SO-B | PS-N/A | 4/83 | 226 | 2.00 | 50.0 | 13.00 | 1.75 | 29.1 | 79.3 | 2.9 |
| FLATLEY RLTY | O-FLTLN | 5/79 | 1000 | 10.00 | 1.0 | 0.25 | 4.25 | 141.2 | 92.3 | 0.3 |
| JMB REALTY | O-JMBRW | 8/82 | 510 | 20.00 | 1.0 | 0.50 | 17.50 | 17.1 | 0.0 | 0.3 |
| M&T MTG INV | O-MTMIZ | 8/80 | 747 | 13.00 | 1.0 | 0.31 | 11.50 | 15.7 | -18.3 | 0.2 |
| MTG INV WASH | O-MINWV | 3/80 | 931 | 15.00 | 1.0 | 0.03 | 2.38 | 531.5 | 0.0 | 0.0 |
| REPUBLIC MI | A-RMIW | 6/79 | 1064 | 20.00 | 1.0 | 0.02 | 2.25 | 789.8 | 100.0 | 0.0 |
| SAN FRAN REI | A-SFIW | 12/80 | 1348 | 25.00 | 1.0 | 1.38 | 21.25 | 24.1 | 100.0 | 1.9 |
| SECURITY MT* | A-SMOW | 5/79 | 3117 | 16.00 | 1.0 | 0.01 | 4.00 | 300.3 | -49.9 | 0.0 |
| SUTRO MIT(B) | A-SUTW | 6/82 | 700 | 20.00 | 1.0 | 0.75 | 10.13 | 104.8 | -14.7 | 0.5 |
| UNITED RLTY | A-URTW | 12/79 | 3610 | 20.00 | 1.0 | 0.06 | 10.50 | 91.0 | 0.0 | 0.2 |

*DEBENTURES USABLE IN LIEU OF CASH.

WTS PRICE OF .01 INDICATES TRADING IN MILLS.

NOTE: BUYERS ARE CAUTIONED THAT SPREADS BETWEEN BID AND ASKED PRICES FOR WARRANTS ARE VERY LARGE AND PRICES MAY VARY SIGNIFICANTLY.

HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of relative efficiency of real estate investment trust managements with available funds. Readers should note that historical data are used and thus no earnings or dividend projections or estimates are included. Investors are advised to consider carefully the following distinctive characteristics of REITs compared with other industrial or financial securities:

Annualized Dividend and Yield: Most REITs do not pay a posted quarterly dividend rate but instead pay their approximate earnings (or net cash flow, if appropriate) for the quarter. They follow this practice because REITs are required to pay at least 90% of earnings to shareholders in order to qualify for exemption from Federal income taxes. This practice means that dividends paid by most REITs will vary much more from quarter to quarter than industrial securities. This possibility for quarterly variations gives REIT shares higher risk because earnings do not provide a safety margin of coverage for the dividend as they do for industrial stocks. The outlook and stability of dividends are thus key factors in our **RELATIVE APPEAL RANKINGS**. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusted for any capital gains or other special dividend payments. Special dividends, marked "S", are paid to maintain tax exemption but are not expected to be continued in subsequent quarters. Because of these possible variations, annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

Annualized Earnings and Price/Earnings Ratio: For mortgage trusts, latest quarter earnings are multiplied by four. Zeroes indicate losses or no earnings for the quarter indicated. Losses per share are shown in **RELATIVE APPEAL RANKINGS**. For equity trusts, annualized net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings as the best single measure of results. Net cash flow is defined as net income plus depreciation minus mortgage amortization. The symbol "F" indicates cash flow in the earnings column. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used, denoted by "G". Cash flow derived from amortization of debt discount is denoted by "Q". The price/earnings ratio relates current price to the most appropriate earnings result. Both earnings (EPS) and net cash flow (CFS) per share for equity trusts for current periods are shown in **RELATIVE APPEAL RANKINGS**.

Shares: The number of shares outstanding, in thousands, is the number issued as of the latest balance sheet and is not adjusted for any potential conversion of debentures, exercise of warrants, or common equivalents which may have been used in earnings per share computations.

Book value per share is essentially tangible net worth per share after deduction of intangible items such as debt discount, unamortized debt expenses, and goodwill if any. Book value does not reflect any changes in asset values through appreciation but does reflect deduction of a reserve for possible future investment losses computed under AICPA rules. Accumulated depreciation is added back to net book value for trusts whose results are reported on a cash flow basis (see above) and denoted with the "F" symbol, as a means of approximating market value of properties. Components of this adjusted book value are reported in **RELATIVE APPEAL RANKINGS**.

PROFILE OF REALTY TRUSTS AS OF APRIL 24, 1979

| | Number | -----Invested Assets----- | % Non- and low-earning | % Change in month | Loss Reserve | Foreclosed Property | All Debt | Shareholders Equity |
|----------------------|--------|---------------------------|------------------------|-------------------|--------------|---------------------|-----------|---------------------|
| PROPERTY..... | 31 | \$ 59M | \$ 2,048M | 3% | -3.9% | \$ 24M | \$ 1,360M | \$ 719M |
| PROPERTY & MTG..... | 24 | 380 | 1,886 | 20 | -3.9 | 53 | 1,343 | 528 |
| SHORT/TERM MTG..... | 11 | 137 | 700 | 20 | -3.8 | 30 | 386 | 316 |
| L/T MTG/PROPERTY.... | 13 | 272 | 1,667 | 16 | -0.6 | 46 | 182 | 990 |
| MTG/FORECLOSED PROP. | 62 | 3,966 | 5,566 | 71 | -3.6 | 966 | 2,836 | 651 |
| TOTALS/AVERAGES.... | 141 | \$4,814M* | \$11,869M | 40% | -3.4% | \$1,119M | \$3,298M | \$8,458M |
| | | | | | | | | \$2,450M |

* Includes \$1,185M or 9.9% low-earning assets. M=Million.

ACCOUNTING: 'YOU'RE ASKING US TO UNDRESS
AND WALK IN FRONT OF THE FIRING SQUAD'

That's how one realty trust manager reacted to our recent call for trust managers to find some way to value their assets for all investors, both insiders and outsiders. The manager's comment quoted above may be a bit unfair because it leaves the impression that book value is understated for all property owning trusts.

But it bespeaks the fact that most trust managers feel very vulnerable in an uncertain and speculative stock market, and they fear that disseminating some version of "true market" value of their holdings will automatically bring hostile takeover offers or liquidation proposals.

We told the realty trust manager that we were taking only a very limited position, that of adding back accumulated depreciation to net book value only for those trusts that say by their dividend policies that depreciation isn't real for them and hence is paid to shareholders as dividends. We urged him to read, again, what we've written in REALTY TRUST REVIEW and he confessed he hadn't read it closely. And we urge you all to re-read the Mar. 23 and April 13 discussions.

All we've said is that the few trusts to whom the definition applies can't have it both ways: They can't tell investors that net cash flow is the proper way to evaluate their income statement without having investors apply the same reasoning (i.e., that depreciation doesn't count) to the balance sheet. The only other logical assumption is that these trusts are milking their properties, skimping on maintenance and repairs, and thus letting the properties run down while dividends are kept high. In that case depreciation would be real. We think there are few trusts where this is possibly true.

But without guidance from management, the investor is left to guesstimate about underlying property values -- and the sky's the limit in today's

boomy market for realty trusts. Some examples:

--Example: A brokerage firm currently is estimating to its clients that CleveTrust Realty's shares have a potential market value from \$16.21 to \$31.47/share, vs. a \$10.72/sh. net book value. The brokerage firm hired a national real estate company to estimate market value of CTRIS' holdings from its general knowledge of local market conditions in the cities where the trust's properties are located. No visual inspection or appraisal of properties was made. This obviously is not the kind of property appraisal that real estate men would trust, and the range of value is extremely wide. But it does illustrate that investors will try to fill a vacuum in investment facts.

--Example: A broker who's put a lot of his customers into B.F. Saul REIT has focused attention on Saul's annual report words "in the opinion of the Trustees, the Trust's stated shareholders' equity...\$5.09 per share, is significantly less than its intrinsic value...we estimate that the intrinsic value of the Trust is not less than \$10 to \$12 per share." This quote has been montaged under a magazine article headline reading "A Company That's Worth More Dead Than Alive."

And as if to confirm these bullish views, Baird & Warner Mtg. & Realty Inv. said last week that qualified appraisers estimated that the trust's liquidating value "may equal or even exceed \$19 per share." Stated book value is \$15.35/sh. Baird holders vote May 22 on a Trustees' proposal to liquidate (RTR, Apr. 13, p.3).

Is it any wonder then that shareholder proposals to liquidate and distribute proceeds are coming to the fore. Proposals are pending or announced at Property Trust of America, C.I. Realty Investors and Wachovia Realty Invest. In addition to Baird & Warner. Hanover Square Realty trustees say they are considering several options, including liquidation. And finally, the Financial Accounting Standards Board holds hearings May 16-17 on measurement of changing prices.

EARNINGS TRENDS: BOTH MARKET LEADERS AND SMALLER TRUSTS POST GOOD QUARTERS

Connecticut General Mtg. & Rlty. had an excellent March quarter to close its fiscal year. Only trouble is that, again, CGM's performance is visible mainly to investors who follow the real estate trusts closely and accept CGM's assertion that distributable funds (about the same as our net cash flow) are the best measure of its dividend-paying ability. CGM's distributable funds came in at 68¢/sh. for the quarter, up 42%, and \$2.31 for the year, up 17%.

New Earnings Reports

But Wall Streeters who follow REITs from afar saw only a modest earnings decline (table, left) that's the natural result of leveraged buying of properties. Alas, we can't report net cash flow under our definition until the annual report is published; we know the quarter was good but cannot tell you precisely how good.

CGM added \$25 million to equity investments in 1979 and has another \$39 million commitments awaiting funding. Real estate equity investments now are 48% of \$339 million invested assets.

Two large mortgage trusts posted earnings gains despite high interest rates. Lomas & Nettleton Mtg.'s Mar. quarter moved up 4% to 51¢/sh., demonstrating that higher volume and loans geared to interest rates can boost EPS as long as new problem loans don't appear. Northwestern Mutual Life Mtg. was up a bit including a 2¢/sh. asset sale gain in the March quarter. Such gains have become rather regular for many trusts.

Smaller trusts are benefitting from the recovery too. Western Mtg. had a closing Feb. quarter that included a 14¢/sh. gain on sale of real estate; it resumed dividends (p. 3). Wisconsin REIT's annual report shows that non-qualified trust going more deeply into active real estate development. It is converting two apartment projects in Orlando, Fla. and San Antonio, Tex. into condominiums and expects first closings in the June quarter. WREIT said one of its officers would take over management of The Ross Organization, an Orlando homebuilder bought in Dec.'77; the former president's employment contract was cancelled. WREIT also resumed payouts (p. 3).

Wells Fargo M&E earnings surged in the March quarter to 51¢/sh., up from the prior quarter and letting WFM boost its dividend. Hotel Inv., ICM Realty and PNB Mtg. & Rlty. all enjoyed good quarters.

| Trust-Period ended | Th. \$/Spec'l# | EPS/Spec'l# | -Prev. Q- EPS/Spec'l# | -Yr. Ago Q- EPS/Spec'l# | % Chng. From** Prev. Q | % Chng. From** Yr. Ago Q |
|--------------------------------------|----------------|---------------|--------------------------|----------------------------|---------------------------|-----------------------------|
| Quarterly results: Qualified trusts: | | | | | | |
| BRT Realty.....Feb.. | \$ d 69 | d\$0.05 | \$d0.41 | \$d0.05 | Better | UC |
| Colwell Mtg. Tr..Dec.. | 166/33Z | d0.30/d36cZ | d1.12/d49cZ | d1.29 | Better* | Better* |
| Conn.Gen. Mtg....Mar.. | 1,763 | 0.31/4cG | 0.29/5cG | 0.33 | +13* | -18* |
| Denver REIA.....Dec.. | 132 | 0.12 | 0.25 | 0.41/11cG | -32 | -60* |
| " " -CFS..Dec.. | 429 | 0.39 | 0.51 | 0.66/11cG | -24 | -29 |
| Flatley Realty...Dec.. | 102 | 0.10 | 0.10 | 0.11/8cG | UC | +33* |
| " " -CFS.. " " | 164 | 0.16 | 0.15 | 0.16/8cG | +7 | +100* |
| Fraser Mtg.....Feb.. | 280 | 0.27 | 0.27 | 0.26 | UC | +4 |
| Hanover Sq. Rlty..Feb.. | d 65 | d0.07 | d0.03 | d0.02/11cT | Worse | Better* |
| Heitman Mtg.....Dec.. | d1,202 | d0.36 | d0.27/5cG | d0.04 | Worse* | Worse |
| Hotel Investors..Feb.. | 701 | 0.45 | 0.43 | 0.34 | +5 | +32 |
| ICM Realty.....Feb.. | 499 | 0.17 | 0.13 | 0.15/3cG | +31 | +42* |
| Investors Realty.Feb.. | 272 | 0.18 | 0.16 | 0.08 | +13 | +125 |
| Lomas & Net. Ml..Mar.. | 1,891 | 0.51 | 0.49 | 0.43 | +4 | +19 |
| Mission Inv. Tr..Feb.. | 83 | 0.05 | 0.01 | 0.15/17cG | +400 | Better* |
| Mtg. Tr. Amer.....Feb.. | 830 | 0.21 | 0.42/16cG | 0.18/27cG | -19* | Better* |
| No. Amer. Mtg....Dec.. | d1,102 | d0.26 | d0.32 | d0.26/12cZ | Better | +5 |
| NW Mut. Lf. Mtg..Mar.. | 1,024/88G | 0.21/2cG | 0.20 | 0.22 | +5 | +50 |
| PNB Mtg. & Rlty..Mar.. | 585 | 0.24 | 0.56/35cG | 0.16 | +14* | +100* |
| Pacific Rlty.Tr..Feb.. | 406/217G | 0.48/26cG | 0.28/7cT | 0.11 | +5* | +78* |
| " " -CFS.. " " | 546/141G | 0.65/17cG | 0.45 | 0.27 | +7* | +92 |
| Penn. REIT.....Feb.. | 708 | 0.46 | 0.50 | 0.24 | -8 | +27 |
| Riviere Realty...Dec.. | 148 | 0.19 | 0.18 | 0.15 | +6 | +35 |
| Security Mtg.....Mar.. | 398/G&T Inc. | 0.06/G&T Inc. | d0.01 | 0.00/3cI | NM | NM |
| Sutro Mtg. Inv..Mar.. | 636 | 0.27 | 0.25/3cI | 0.20 | -4* | +35 |
| United Realty...Feb.. | 729 | 0.20 | 0.20 | 0.20 | UC | UC |
| Wells Fargo M&E..Mar.. | 2,013 | 0.51 | 0.40/6cG | 0.30/3cG | +50* | +89* |
| Western Mtg.....Feb.. | 182/139G | 0.18/14cG | 0.08/5cG | 0.02 | +33* | +100* |

Quarterly results: Nonqualified trusts & companies:

| | | | | | | |
|------------------------|---------------|--------------|--------------|--------------|---------|---------|
| Amer. Fletch.Ml..Jan.. | 1,729/165ON&S | 1.28/1.22N&S | d0.04/d1cN&S | 1.06/1.48I&R | Better* | Better* |
| Barnes Mtg. Inv..Dec.. | 4950/822G | d0.50/43cG | d0.78/20cG | d0.19/36cG | Better* | Worse* |
| Bay Colony Prop..Feb.. | 3804/338G | d0.25/10cG | 0.31/59cG | 0.07/15cS | Worse* | Worse* |
| Chase Man. M&R..Feb.. | d1,720 | d0.33 | d1.21 | d1.37/18cN | Better* | Better* |
| Dominion M&R.....Feb.. | 577/70G | 0.09/11cG | 0.24/59cG | d0.03 | Better* | Better* |
| Fidelity Growth..Feb.. | 627/583S&N | 0.40/37cS&N | 1.10/1.06S&N | 0.76/1.34S&N | -25* | Better* |
| First Denver Ml..Mar.. | 870/440S&N | 0.54/27cS&N | d0.10 | 0.16/8cG | Better | Better |
| First Memphis Rl.Feb.. | 1,322/566S | 1.14/49cS | 1.04/44cS | 0.17/26cS | +10 | +570 |
| First Newport Rl.Jan.. | 791/1350S | 0.34/58cS | d0.36 | d0.38 | NM | NM |
| First Vir. Mtg...Dec.. | 6 395N | d 17cN | | | | |
| First Wisc. Mtg..Dec.. | 316/201G&N | 0.26/17cG&N | 0.47/44cG&N | 2.85/2.90X | +200 | Better* |
| Maryland Realty..Feb.. | d 57 | d0.07 | d0.02/2cG | 0.19/12cG | Better | -43* |
| Newcorp(Cousins).Feb.. | 214/321S | 0.06/8cS | d0.22 | 0.02/1cH | Worse | Worse |
| NW Finc'l. Inv..Dec.. | 132/157N | 0.09/11cN | 0.12/6cN | d0.08 | Better* | Better* |
| Wachovia Rlty...Feb.. | d270 | d0.08 | d0.60/6cS | d0.28 | Better | Better |

Annual results: All trusts:

| | | | | | |
|------------------------|---------------|--------------|-----------------|-----|---------|
| Amer. Fletch.Ml..Jan.. | 3,145/320ON&S | 2.33/2.37N&S | d1.03/1.48I&R | --- | Better* |
| Colwell Mtg. Tr..Dec.. | 15,335/15991Z | 4.45/4.64Z | d2.50 | --- | Better* |
| Conn.Gen. Mtg....Mar.. | 6,789/864G | 1.19/15cG | 1.50/20cG | --- | -20 |
| Denver REIA.....Dec.. | 574 | 0.52 | 0.43/11cG | --- | +63* |
| " " -CFS.. " " | 1,724 | 1.57 | 1.08/11cG | --- | +62* |
| First Wisc. Mtg..Dec.. | d327 | d0.16 | 0.00/22cG, 72cS | --- | Worse* |
| Heitman Mtg.....Dec.. | d2,999/154G | d0.91/15cG | d0.66 | --- | Worse |
| No. Amer. Mtg....Dec.. | d5,634 | d1.29 | d1.97/12cZ | --- | Better |
| NW Finc'l. Inv..Dec.. | 492/252N | 0.33/17cN | d0.31 | --- | -5* |
| NW Mut. Lf. Mtg..Mar.. | 5,096/1645G | 1.07/35cG | 0.91/15cG | --- | +67* |
| Riviere Realty...Dec.. | 550/35G | 0.70/4cG | 0.45 | --- | +35 |
| Sutro Mtg. Inv..Mar.. | 2,581 | 1.11 | 0.82 | --- | +50* |
| Western Mtg.....Feb.. | 255/190G | 0.25/19cG | 0.93/89cG | --- | |

UC=Unchanged. NM=Not meaningful. r=Restated. p=Preliminary. d=Deficit.

#-Special items included in both thousand dollar and share amounts are: C=Gain on sale of assets; I=Interest forgiveness; L=Loss on sale of assets; N=Net operating loss (NOL) benefit; R=Recovery of past-due interest or prepayment fees; S=Swap of assets with banks; T=Gain on market purchase of debt at discounts; W=Gain (loss) on mortgage re-financing; X=Settlement with adviser, sponsor or insurance company; Y=Loss reserve credit; Z=Gain on debt restructuring via exchange or tender offers.

** Comparisons are based upon earnings per share. Where loss is reported in one or both quarters, change in direction is shown as "Better" or "Worse."
* Compared before special items.